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Fifth Committee

Summary record of the second part* of the 27th meeting
Reconvened at Headquarters, New York, on Monday, 6 May 2013, at 10 a.m.

Chair: Mr. Berger ..... (Germany)
Chair of the Advisory Committee on Administrative and Budgetary Questions: Mr. Ruiz Massieu

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* The summary record of the first part of the meeting, held on Thursday, 28 March 2013, at 3 p.m., appears as document A/C.5/67/SR.27.

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The meeting was reconvened at 10.20 a.m. on 6 May 2013.

Agenda item 130: Programme budget for the biennium 2012-2013 (*continued*)

Special subjects relating to the programme budget for the biennium 2012-2013 (*continued*) (A/C.5/67/L.31)

Draft resolution A/C.5/67/L.31: Special subjects relating to the programme budget for the biennium 2012-2013

1. *Draft resolution A/C.5/67/L.31 was adopted.*

Agenda item 146: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/C.5/67/L.33)

Draft resolution A/C.5/67/L.33: Report of the Senior Advisory Group established pursuant to General Assembly resolution 65/289 to consider rates of reimbursement to troop-contributing countries and other related issues

2. **The Chair** invited the Committee to consider the draft resolution contained in document A/C.5/67/L.33 on the report of the Senior Advisory Group established pursuant to General Assembly resolution 65/289 to consider rates of reimbursement to troop-contributing countries and other related issues.

3. **Ms. Haq** (Under-Secretary-General for Field Support), outlining how the Secretariat would implement paragraphs 9 to 12 of the draft resolution, if adopted, said that a memorandum of understanding was a negotiated, formal agreement between the United Nations and a troop- or police-contributing country that established the responsibility and standards for the provision of personnel, major equipment and self-sustainment support services. Signed by representatives of the Department of Field Support and the country's Permanent Mission to the United Nations, it could cover the deployment of a person, unit, company or battalion and remained in force until the end of the mandate of the peacekeeping operation.

4. Paragraph 9 of the draft resolution provided that each deployed unit might operate under a separate memorandum of understanding if so requested by the troop-contributing country, while paragraph 10 stated that contingent-owned equipment and its impact on the ability of the unit to perform its duties should be evaluated on the basis of the unit. Should the draft resolution be adopted, each memorandum of understanding could be reviewed, at the request of the troop-contributing country, in order to ensure that the unit-level equipment requirements specified in each memorandum of understanding were in line with current operational requirements. The memorandum of understanding could be updated, if required, for a specific transport or medical unit, infantry battalion or formed police unit.

5. Under paragraph 11, no deduction would be applied before 31 October 2013, in order to give troop-contributing countries time to ensure that their memorandums of understanding were technically in line with current force requirements and the operational circumstances of each mission. Should the draft resolution be adopted, the Department of Field Support would, in consultation with the Office of Military Affairs and the Police Division, work with troop-contributing countries to review the memorandums of understanding to ensure that they reflected any changes in the amount or type of equipment required, based on the current force requirements and operational circumstances of each mission. To compensate for the differences in operating conditions in different mission areas, the standard reimbursement rates for major equipment would be adjusted to take into account such conditions as harsh terrain and climate, road conditions, length of logistics chains, size of area of operations and the hostility of the environment.

6. The contingent-owned equipment inspection and verification process would be initiated within 30 days of deployment to the mission area with an arrival inspection to confirm that the equipment deployed met the agreed requirements and was serviceable. Thereafter, the mission's contingent-owned equipment unit would conduct quarterly physical inspections of the equipment; quarterly verification reports would be signed by contingent or police commanders of the troop-contributing country concerned. Inspections would occur periodically throughout the quarter, at a time agreed in advance with contingents; contingent personnel would accompany the inspectors and assist them in preparing the inspection report, which would note any unresolved differences of opinion regarding the absence or non-functionality of equipment. Each mission's Contingent-Owned Equipment/Memorandum of Understanding Management Review Board, composed of senior officials of the mission's support, military and police components and the contingent commanders, would serve as an additional review mechanism. The

process would be consultative and the principle of reasonability would be applied.

7. The verification process set out in paragraph 11 of the draft resolution would ensure that any major equipment that was absent or non-functional for reasons beyond the control of the troop-contributing country would be reflected in the verification report and such equipment would be excluded from the determination of any deductions for that quarter. The verification reports would be forwarded to the Department of Field Support for review and processing. Upon certifying a verification report, the Secretariat would immediately notify the relevant troop-contributing country of any absent or non-functional equipment reports and it would have three months to address the shortfall. If, after a second quarterly period, a discrepancy remained between the major equipment specified in the memorandum of understanding and the equipment verified in the inspection report, a deduction would be applied to the personnel reimbursement for that unit. When notifying the troop-contributing country of payment, the Department of Field Support would provide a full description and explanation of any deduction based on the contingent-owned equipment verification and certification reports of the two prior consecutive quarters.

8. A 90-per-cent rule would be applied whereby troop-contributing countries would be reimbursed for 100 per cent of the vehicles specified in the memorandum of understanding, provided that 90 per cent of the combat vehicles were present. The rule would be extended to cover non-functional and absent vehicles; thus, no deduction to troop reimbursements would be made unless more than 10 per cent of the vehicles were certified as absent or non-functional. Moreover, no deduction above 35 per cent would be made from troop reimbursements in respect of any two consecutive unsatisfactory quarterly contingent-owned equipment verification reports.

9. The Department of Field Support stood ready to work with troop-contributing countries to update memorandums of understanding before 31 October 2013, and upon request would provide details on the status of the equipment specified in the memorandum of understanding and the potential impact of the implementation of the draft resolution.

10. *Draft resolution A/C.5/67/L.33 was adopted.*

11. **Mr. Navoti** (Fiji), speaking on behalf of the Group of 77 and China, said that the Group welcomed the adoption of the draft resolution as the outcome of passionate and arduous negotiations on issues that were integral to the future of United Nations peacekeeping. However, it had strong reservations about the Senior Advisory Group's recommendation that the condition and status of contingent-owned equipment should be linked to the rate of reimbursement to troop-contributing countries. The draft resolution was a compromise that had been reached in order to resolve the long-standing impasse on the issue of reimbursement rates and the broader reform of the reimbursement process. However, that compromise should not form the legal basis for linking the two issues, something the Group of 77 and China did not accept.

12. Despite its reservations, the Group had supported the adoption of the draft resolution in a spirit of compromise and in an effort to allow peacekeeping reform to move forward, on the basis of the interpretation of the implementation methodology outlined by the Under-Secretary-General for Field Support.

13. **Mr. Mayr-Harting** (Observer for the European Union) said that the adoption of the draft resolution was an important step towards renewing the partnership on peacekeeping. The States members of the European Union not only made significant financial contributions to United Nations peacekeeping operations, but also supported and participated in them by providing uniformed personnel and other capabilities. The draft resolution reflected a balanced agreement whose implementation would be in the best interests of all Member States and of United Nations peacekeeping.

14. **Mr. Torsella** (United States of America) recalled that the Committee had requested the Senior Advisory Group to resolve a contentious issue after troop-contributing countries had noted that reimbursement rates had not been adjusted in a decade, while the major financial contributors had pointed out that, without an empirical basis, an increase in rates would be arbitrary and indefensible in the eyes of taxpayers. The new review mechanism was an attempt to resolve that conundrum. The Senior Advisory Group's recommendations had represented a compromise reached after long discussion, analysis and negotiation. The draft resolution adopted by the Committee was a further compromise, but it would provide the Organization with a balanced set of tools that would continuously improve peacekeeping. In addition to

providing a framework to determine rates of reimbursement, the Senior Advisory Group had recognized that many United Nations peacekeepers acquitted themselves well, despite exceptional levels of risk, and operated without caveats or restrictions; the draft resolution authorized the Secretary-General to recognize the effectiveness of those exceptional men and women by paying them a premium.

15. In order to meet the evolving challenges of increasingly complex and difficult peacekeeping operations, the draft resolution also provided for incentives to improve operational readiness by authorizing the Secretary-General to pay a premium to troop-contributing countries that provided key enabling capabilities. In addition, a new standard rotation period had been established to provide greater continuity on the ground and to conserve scarce resources, while incentives had been created to ensure that troops were fully equipped with the tools they would need to implement their mandates.

16. The draft resolution would help revitalize the global peacekeeping partnership; however, much remained to be done to meet the challenges ahead. Member States had a responsibility to the peoples of countries emerging from conflict, to the peacekeepers who served in missions and to their own citizens, who supported United Nations peacekeeping operations. They should therefore continue working together to improve peacekeeping operations.

17. **Mr. Puri** (India) welcomed the adoption of the draft resolution and the spirit of compromise that had characterized the negotiations, which had demonstrated that when the Member States had the will to resolve an issue they always found a way to do so.

18. **Mr. Dosseh** (Togo) said that the issue of reimbursement rates was of crucial importance, as it concerned the men and women who served around the world, often in very difficult conditions, to preserve peace and international security. While the Senior Advisory Group's report (A/C.5/67/10) had been a step forward, some of its recommendations had been problematic, particularly the one on reductions to reimbursement rates for absent or non-functional equipment. He wondered how contingents could be expected to improve their performance if their resources, already under strain, were cut further owing to that unfair measure. His delegation was convinced that there were more appropriate means of addressing the problem; however, alternative proposals had been met with intransigence, motivated by some delegations' desire to make savings rather than to tackle the root of the problem. It was regrettable that the Committee had endorsed, without due consideration, all of the Group's recommendations, leading to the unsatisfactory resolution adopted by the Committee.

19. Furthermore, a number of issues remained unresolved, such as the delay in paying troop-contributing countries amounts owing for equipment. It was counterproductive to demand that those countries should correct any equipment deficiencies or face sanctions, while at the same time depriving them of the resources they needed to meet their contractual obligations. Troop-contributing countries might consider asking the United Nations to pay interest on arrears to offset that measure. Similarly, it was unclear whether financial sanctions could be suspended until differences of opinion on quarterly verification reports had been fully resolved and what remedies would be available to troop-contributing countries to defend their interests. His delegation was of the view that the Committee had missed an opportunity to find a sustainable and efficient solution to the problem of absent or non-functional equipment.

20. Lastly, he urged the Committee to make efforts to manage its time properly. Prevailing upon others to use the Organization's resources effectively would be futile if the Committee itself failed to set an example.

21. **Mr. Aiki** (Japan) said that the draft resolution would lead to fairer reimbursement rates and more sustainable and efficient operations. As some of the Senior Advisory Group's recommendations were time-bound, it was to be hoped that the Secretariat would implement them in a timely manner and that the new reimbursement system outlined by the Group would be submitted to the Assembly for approval within a year.

Agenda item 129: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Questions deferred for future consideration (*continued*) (A/C.5/67/L.30)

Draft decision A/C.5/67/L.30: Questions deferred for future consideration

22. **Ms. Van Buerle** (Secretary of the Committee) said that, in the light of the adoption of draft resolution

A/C.5/67/L.33, the language concerning the deferral of consideration of the related documents should be deleted from the draft decision on questions deferred for future consideration.

23. *Draft decision A/C.5/67/L.30, as orally amended, was adopted.*

24. **The Chair** declared that the Fifth Committee had completed its work at the first part of the resumed sixty-seventh session of the General Assembly.

The meeting rose at 11.05 a.m.